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Monday, 09 July 2018

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Dear Ali

2017/18 CCG Annual Assessment

The CCG annual assessment for 2017/18 provides each CCG with a headline assessment against the indicators in the CCG improvement and assessment framework (CCG IAF). The IAF aligns key objectives and priorities as part of our aim to deliver the *Five Year Forward View*. The headline assessment has been confirmed by NHS England's Commissioning Committee.

This letter provides confirmation of the annual assessment, as well as a summary of areas of strength and a focus for improvement in 2018/19 **(Annex A).**

Detail of the methodology used to reach the overall assessment for 2017/18 can be found at **Annex B**. The categorisation of the headline rating is either; Outstanding, Good, Requires Improvement or Inadequate.

The final draft headline rating for 2017/18 for Darlington CCG is **Good**

There is much to celebrate in the proactive collaboration of the five CCGs in the south in terms of the new way of working. Clearly there is a strong proactive alliance between the CCGs and this brings a wealth of opportunity for future developments as well as current health and care challenges through working at scale. Key success during 2017/18 are noted below:

- Development of early shared staffing arrangements to progress the CCG collaboration.
- Alignment of a range of processes e.g. finance, planning, performance, quality and commissioning.
- Single contract management board for Tees Esk and Wear Valley FT and continued development of lead arrangements with County Durham and Darlington FT.
- Learning disability commissioning hub.

- Joint cancer workplan.
- Re-procurement for audiology and Durham and Darlington community services.

The 2017/18 annual assessments will be published on the CCG Improvement and Assessment page of the NHS England website on 12 July. At the same time they will be published on the MyNHS section of the NHS Choices website. The dashboard with the data will be issued with year-end ratings in July.

I would ask that you please treat your headline rating in confidence until NHS England has published the annual assessment report on its website. This rating remains draft until formal release.

Thank you for your CCG's contribution to the delivery of the *Five Year Forward View*, and your continued focus on driving improvements across health and social care for local people working with partners. I look forward to working with you and colleagues during 2018/19 to deliver better outcomes for patients and local communities both through place based integration locally and working at scale across Cumbria and the North East.

Yours sincerely,

Alison Slater
Director of Commissioning Operations
NHS England, Cumbria and the North East

Annex A – 2017/18 summary

Key Areas of Strength / Areas of Good Practice

According to the latest available data, Darlington CCG is rated in the top quartile of CCGs nationally on the following indicators:

- Personal health budgets
- AMR: Broad spectrum prescribing
- Quality of life of carers
- High quality care - acute
- High quality care - primary care
- High quality care - adult social care
- LD - annual health check
- Completeness of the GP learning disability register
- Neonatal mortality and stillbirths
- Experience of maternity services
- Choices in maternity services
- Dementia diagnosis rate
- Dementia post diagnostic support
- A&E admission, transfer, discharge within 4 hours
- Primary care access
- 18 week RTT

Key Areas of Challenge

According to the latest available data, Darlington CCG is rated in the lowest quartile of CCGs nationally on the following indicators:

- Inequality Chronic - ACS & UCSCs
- AMR: appropriate prescribing
- Staff engagement index
- Progress against WRES
- One-year survival from all cancers
- Cancer patient experience
- IAPT recovery rate
- EIP 2 week referral
- LD - reliance on specialist IP care
- Maternal smoking at delivery

Key Areas for Improvement

- Maintain a constant focus on finance and delivery of QIPP.
- Maintain close grip on quality and the sustainable delivery of the NHS constitutional standards, A&E, Cancer and IAPT access.
- Work collaboratively with the CQC and NHSI in a tripartite approach to gain assurance and evidence of sustainable quality improvement within CDDFT.
- Relentless focus on Continuing Health Care to drive quality improvements, VFM and increased efficiency.

- To ensure that you continue to focus on the required improvements to the continuing healthcare agenda across the CCGs and indeed support the STP work stream in a positive way in pursuit of quality and financial improvements.

Key areas for development

- Continue to build strong relationships including the development of system wide working at a number of levels (including partners within the local footprint and CNE wide) to improve health and care outcomes, drive improvements in quality, ensure the sustainability of services and demonstrate increased efficiency and productivity.
- Ensure proactive leadership in the development and implementation of the CNE STP and the emerging ICS particularly in regard to the governance framework and delivery of the key objectives in the workstreams.
- Working jointly with other CCGs in local geographies to collectively make the best use of resources (e.g. joint committees, joint /shared management arrangements) in order to drive transformation at scale and pace.
- Working across CNE and the North Region, share learning and good practise in order to drive transformation and implement new models of care at scale.

Annex B – overall assessment methodology
NHS England's annual performance assessment of CCGs 2017/18

1. The CCG IAF comprises 51 indicators selected to track and assess variation across policy areas covering performance, delivery, outcomes, finance and leadership. This year, assessments have been derived using an algorithmic approach informed by statistical best practice; NHS England's executives have applied operational judgement to determine the thresholds that place CGCs into one of four performance categories overall.

Step 1: indicator selection

2. A number of the indicators were included in the 2017/18 IAF on the basis that they were of high policy importance, but with a recognition that further development of data flows and indicator methodologies may be required during the year. However, by the end of the year, there was just one indicator that was excluded as there is no data available for the measure: mental health crisis.

Step 2: indicator banding

3. For each of the 207 CCGs, the remaining indicator values are calculated. For each indicator, the distance from a set point is calculated. This set point is either a national standard, where one exists for the indicator (for example in the NHS Constitution); or, where there is no standard, typically the CCG's value is compared to the national average value.

4. Indicator values are converted to standardised scores ('z-scores'), which allows us to assess each CCG's deviation from expected values on a common basis. CCGs with outlying values (good and bad) can then be identified in a consistent way. This method is widely accepted as best practice in the derivation of assessment ratings, and is adopted elsewhere in NHS England and by the CQC, among others. [1]

5. Each indicator value for each CCG is assigned to a band, typically three bands of 0 (worst), 2 (best) or 1 (in between).[2]

Step 3: weighting

6. Application of weightings allows the relatively greater importance of certain components (i.e. indicators) of the IAF to be recognised and for them to be given greater prominence in the rating calculation.

7. Weightings have been determined by NHS England, in consultation with operational and finance leads from across the organisation, and signal the significance we place on good leadership and financial management to the commissioner system:

    - Performance and outcomes measures: 50%;

[1] Spiegelhalter et al. (2012) *Statistical Methods for healthcare regulation: rating, screening and surveillance*
[2] For a small number of indicators, more than 3 score levels are available, for example, the leadership indicator has four bands of assessment.

- Quality of leadership: 25%; and,
- Finance management: 25%

8. These weightings are applied to the individual indicator bandings for each CCG to derive an overall weighted average score (out of 2).

Figure 1: Worked example

Anytown CCG has:

- Quality of leadership rating of "Green" (equivalent to a banded score of 1.33)
- Finance management rating of "Green" (equivalent to banded score of 2)
- For the remaining 48 indicators, the total score is 49.5.
- These scores are divided through by their denominator and weighted to produce an overall domain weighted score:

$$\left(\frac{1.33}{1}\right) \times 25\% \quad + \quad \left(\frac{2}{1}\right) \times 25\% \quad + \quad \left(\frac{49.5}{48}\right) \times 50\% \quad = \quad \mathbf{1.35}$$

Step 4: setting of rating thresholds

9. Each CCG's weighted score out of 2 is plotted in ascending order to show the relative distribution across CCGs. Scoring thresholds can then be set in order to assign CCGs to one of the four overall assessment categories.

10. If a CCG is performing relatively well overall, their weighted score would be expected to be greater than 1. If every indicator value for every CCG were within a mid-range of values, not significantly different from its set reference point, each indicator for that CCG would be scored as 1, resulting in an average (mean) weighted score of 1. This therefore represents an intuitive point around which to draw the line between 'good' and 'requires improvement'.

11. In examining the 2017/18 scoring distribution, there was a natural break at 1.45, and a perceptible change in the slope of the scores above this point. This therefore had face validity as a threshold and was selected as the break point between 'good' and 'outstanding'.

12. NHS England's executives have then applied operational judgement to determine the thresholds that place CCGs into the 'inadequate'. A CCG is rated as 'inadequate' if it has been rated red in both quality of leadership and financial management.

13. This model is also shown visually below:

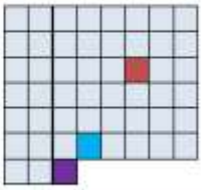
Deriving the CCG IAF assessment ratings

Step 1: Indicators selected and calculated

There are 51 indicators in the 2017/18 CCG IAF...

...of which, 50 are included in the end of year rating

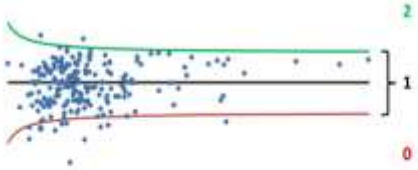
(1 indicator, **Mental health crisis team provision**, is excluded because data are not yet available)



Values are derived for each CCG for each indicator. There is 1 indicator in the **Finance** domain and 1 for **Quality of leadership**.

Step 2: Indicators banded

Measure of deviation ("z-score") calculated for each CCG value. Outlying CCGs assigned to bands with scores of 0 (worst) to 2 (best).



The process is repeated for all 50 available indicators (example scores shown for **Anytown CCG**).

1	1	1	1	0	1	0	2
1	1	2	1	1	1	0	1
1	1	1	2	1		1	1
1	1	1	2	1	2	1	1
0	1	1	1	1	2	1	1
1	1	1	2	0	2	0	1
2	0	1					

Step 3: Weights applied, average score calculated

Weightings set to:

- Finance: 25%
- Leadership: 25%
- The rest: 50%

Bandings for each domain are summed and divided by the count of indicators in that domain, then multiplied by the relevant weighting.

Worked example for Anytown CCG

Overall score calculated for CCG as sum of:

[Finance] 25% * (2 / 1 indicator)
+
[Leadership] 25% * (1.333 / 1 indicator)
+
[The rest] 50% * (49.5 / 48 indicators)

= score of 1.35
(out of a possible 2)

Step 4: Scores plotted and rating thresholds set

The distribution of average scores (out of 2) is plotted for all 207 CCGs. The threshold between "Requires Improvement" and "Good" is then set at the mid-point of 1; for "Outstanding" it is set at a natural break at the upper end of the distribution and for "Inadequate" an auto-rule is applied to include all CCGs whose Finance and Leadership ratings are both Red. In the example shown, there is a step change at 1.45 which forms the lower threshold for "Outstanding".